

# Senate Study Bill 1003

SENATE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
JUDICIARY BILL BY  
CO=CHAIRPERSON KREIMAN)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

## A BILL FOR

1 An Act relating to the names of business entities.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
3 TLSB 1530SC 81  
4 da/sh/8

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1 1 Section 1. Section 488.108, Code 2005, is amended by  
1 2 adding the following new subsection:  
1 3 NEW SUBSECTION. 7. This chapter does not control the use  
1 4 of fictitious names. However, a limited partnership which  
1 5 uses a fictitious name in this state shall deliver to the  
1 6 secretary of state for filing a copy of the resolution of the  
1 7 limited partnership certified by its general partners,  
1 8 adopting the fictitious name.  
1 9 Sec. 2. Section 547.1, Code 2005, is amended to read as  
1 10 follows:  
1 11 547.1 USE OF TRADE NAME == VERIFIED STATEMENT REQUIRED.  
1 12 A person ~~or copartnership~~ shall not engage in or conduct a  
1 13 business under a trade name, or an assumed name of a character  
1 14 other than the true surname of each person owning or having an  
1 15 interest in the business, unless the person first records with  
1 16 the county recorder of the county in which the business is to  
1 17 be conducted a verified statement showing the name, post  
1 18 office address, and residence address of each person owning or  
1 19 having an interest in the business, and the address where the  
1 20 business is to be conducted. However, this provision does not  
1 21 apply to any person organized or incorporated in this state as  
1 22 a domestic entity or authorized to do business in this state  
1 23 as a foreign entity, if the person is a limited partnership  
1 24 under chapter 487 or 488, a corporation under or limited  
1 25 liability company incorporated or organized in this state or  
1 26 any foreign corporation or foreign limited liability company  
1 27 authorized to do business in this state or doing business  
1 28 pursuant to an exemption in chapter 490; or a limited  
1 29 liability company under chapter 490A; a professional  
1 30 corporation under chapter 496C; a cooperative or cooperative  
1 31 association under chapter 497, 498, 499, or 501; or a  
1 32 nonprofit corporation under chapter 504 or 504A.

## EXPLANATION

1 33 During the 2004 regular session, the general assembly  
1 34 enacted H.F. 2347 (2004 Iowa Acts, chapter 1021), based on an  
2 1 updated version of the uniform limited partnership Act, as  
2 2 approved by the national conference of commissioners on  
2 3 uniform state laws. The new law is codified in Code chapter  
2 4 488, which will replace Code chapter 487. Code section  
2 5 488.108 regulates the naming of limited partnerships, which  
2 6 will replace the old naming provision in Code section 487.102.  
2 7 New Code chapter 488 does not include a provision which  
2 8 governs the use of fictitious names. This bill amends Code  
2 9 section 488.108 to provide that a limited partnership may  
2 10 adopt a fictitious name so long as its general partners have  
2 11 filed a resolution with the secretary of state. The same  
2 12 language is contained in Code section 487.102.  
2 13 The bill also amends Code chapter 547, which regulates  
2 14 trade names. Under Code section 547.1, a person cannot engage  
2 15 in a business under a name other than the surname of each  
2 16 person owning or having an interest in the business, unless  
2 17 the person records a statement with the county recorder of the

2 18 county in which the business is located. The provision  
2 19 contains an exception for domestic or foreign corporations or  
2 20 limited liability companies. However, this provision does not  
2 21 apply to professional corporations, cooperatives or  
2 22 cooperative associations, or nonprofit corporations. The bill  
2 23 extends that exception to any domestic entity incorporated or  
2 24 organized in this state or a foreign entity authorized to do  
2 25 business in this state if the entity is a limited partnership,  
2 26 corporation, limited liability company, professional  
2 27 corporation, cooperative or cooperative association, or  
2 28 nonprofit corporation.  
2 29 LSB 1530SC 81  
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